MINIVANS

FROM PAGE 1

Chrysler-Plymouth marketing plans manager. He said it is too early to gauge retail reaction because the units are just beginning to trickle into showrooms.

"Wholesale orders have been great because dealers recognize the vehicle's potential for incremental sales," Julow said. "We are not planning to give up the high end of the market. But we have pretty well mined the sales of minivans over $18,000.

"The growth opportunity is in the $14,000 to $18,000 price range, which is the four-door sedan market," he said. Sales of base minivans currently represent about 20 percent of Chrysler's total minivan sales, he said.

> "Wholesale orders have been great because dealers recognize the vehicle's potential for incremental sales. We are not planning to give up the high end of the market. But we have pretty well mined the sales of minivans over $18,000."
>
> **James R. Julow**
> Chrysler-Plymouth marketing

Chrysler anticipates continuing growth in the minivan market as persons in their 20s start families earlier and buyers with grown children opt for the vans for travel and leisure pursuits.

Chrysler invented the minivan segment when it introduced the Dodge Caravan and Plymouth Voyager as 1984 models. In February of this year, the company held 46 percent of the U.S. minivan market.

The minivan strategy reprises Chrysler's decision last fall to standardize equipment on the Jeep Cherokee. At the start of the 1991 model year, Chrysler introduced a lower-priced Jeep Cherokee called the Sport edition. The value version of the Jeep sport-utility, which was designed to shore up Cherokee sales against the lower-priced Ford Explorer, has brought in new and younger buyers, Julow said.

In February, dealers throughout the country began marketing value versions of the Plymouth Voyager and Dodge Caravan in dealer association ads, Julow said.

Chrysler is considering new national divisional advertising campaigns in the second quarter to tout pricing and promote the lower-priced van. The current minivan advertising campaign uses Iacocca and stresses vehicle safety features, including an air bag.

Air conditioning standard

The value versions of the Caravan and Voyager are short-wheelbase models equipped with a 2.5-liter four-cylinder engine and three-speed automatic transmission. Standard equipment includes air conditioning, cloth seats, rear-window defroster, dual horns, a sound package with AM/FM radio.

Air conditioning is the major item. It's $857 extra on the base Caravan and Voyager. The standard rear window defroster is another plus for the value version. It's $217 extra on the regular model.

Essentially, $1,400 worth of optional equipment has been made standard on the value version for $545. The $13,811 price of the five-passenger value van is the $13,266 base sticker plus the $545.

"These are options that virtually every one of our customers ordered anyway," said Martin Levine, Dodge Division general manager. "The strength of this vehicle is in lowering the price and not taking out popular equipment. We are not taking a minivan and stripping it."

Until the recession and the war in the Persian Gulf torpedoed the auto market, Chrysler could rely on the sale of higher-priced, more heavily equipped vans. The company's estimated $4,000 pretax profit margin will be lower on the value vehicles, but they enable the company to try to buy market share in a soft market. That is important to Chrysler because much of its image is tied to its performance in the minivan segment.

MINIVAN SALES

Calendar Year	Chrysler minivans	Chrysler pct. of minivan mkt.	Total minivans
1983....	8,192	100.00	8,192
1984....	190,516	99.0	192,501
1985....	242,827	60.1	404,200
1986....	240,634	42.2	569,793
1987....	307,841	47.5	647,427
1988....	422,413	53.0	796,992
1989....	406,331	48.9	831,505
1990....	380,374	40.7	933,630

Pointing at new segment

Chrysler now is able to focus on the lower-priced minivan segment in part because of changes made in the company's national contract with the UAW last fall.

That change permits the addition of a third shift at Chrysler's St. Louis No. 2 assembly plant, which builds long-wheelbase minivans. The additional 50,000 units that can be built at St. Louis free up capacity at the company's Windsor, Ontario, plant, which builds short-wheelbase units.

Because of capacity constraints on long-wheelbase vans at St. Louis, Chrysler has been selling more loaded short-wheelbase units from Windsor. Additional production at St. Louis would mean that Windsor could build more short-wheelbase value versions.

Julow said a decision is imminent on whether to implement the third shift at St. Louis No. 2 during model changeover this summer. It can be done only during an extended downtime period. Implementation could be delayed until December vacation downtime if sales remain weak.

Long-wheelbase models now represent 45 percent of Chrysler's minivan sales. Chrysler continues to forecast growth in the minivan market. The company anticipates that the segment, which now accounts for about one million sales annually, will reach 1.5 million annually within five years, Julow said.

"If we're going to get another 500,000 units out of the market, a great bulk of them will come from the $14,000 to $18,000 price range," Julow said.

A broader market

He said Chrysler's optimism about the segment's growth is based on consumer research that upended some of the company's assumptions about the minivan market.

Specifically, Chrysler assumed until recently that the minivan is a "life-stage" vehicle. Julow said. Parents who relied on the minivan while raising children were expected to return to cars when they became "empty-nesters" whose children had grown and left home, he said.

But those consumers are becoming repeat minivan buyers as they pursue hobbies and travel, according to Julow. Chrysler's consumer research indicates that 85 percent of empty-nesters who own a minivan intend to purchase another one next time.

"I don't think anyone counted on that," Julow said. "We assumed a migration through the segment, which is not occurring."

In addition, the twentysomething group is starting families at an earlier age than did the thirtysomethings, bringing them into the minivan market sooner, he said.

Chrysler has maintained that its minivan sales have not been affected by a report in the February issue of *Consumer Reports* magazine that labeled the company's A-604 four-speed automatic transmission "a lemon." Most Chrysler minivans are equipped with that transmission.

The company said it sold 28,914 minivans in February, 47 percent more than in February 1990. The vans accounted for one of every five vehicles Chrysler sold last month.

BANKERS

FROM PAGE 2

outside its home territory.

"The bankers' graveyard is full of those that tried that business. None of us has been successful in trying to take the business nationwide," said Robert P. Noble, executive vice president of Wachovia Bank & Trust Co. of Winston-Salem, N.C.

"All those guys proved was that this is a regional business. It's still a good business, and a profitable business," said William V. Lauman, senior vice president and dealer banking manager for Seafirst Bank in Seattle. The Pacific Northwest, for instance, is one of the few U.S. markets where car sales haven't nose-dived.

Noble urged his peers to stick with auto financing, even if the short-term prospects are bad.

"The car business is not going to go away. You and I know it's going to come back. I don't think Ford Motor Credit and GMAC really want to handle *all* of this business," he said.

Banks that have elected to stay in auto financing are sharpening their pencils. They are reducing risk and cutting costs — often by cutting their staffs — at every stage of the business, from originating new loans to pursuing deadbeats.

Many banks are getting more work out of fewer people by using automated means to process loan applications and monitor existing loans, watching for late payments or other trouble signs. If loans do go bad, automated phone systems can crank out thousands of phone calls a day to demand payment.

In some cases, banks are raising rates, or raising rates for higher-risk customers.

Banks also are ditching dealers who are seen to be poor risks, whether it is the dealers themselves that's the problem, or the customers that the dealers refer to the bank.

William J. Paul Jr., senior vice president of Society National Bank in Cleveland, said his bank "eliminated" more than 300 dealers, or half the dealers in the bank's auto loan portfolio. The loans those dealers were originating didn't measure up. There were too many delinquencies, too many applications that had to be rejected, and so on.

That reduction in volume allowed the bank to cut its staff, saving more money.

"We really created a lot of rumble in our communities when we changed the way we do business," Paul said. "But that's a risk you take."

The captives have their own challenges. Ford Credit's Odom said he's propping up some financially weak dealers instead of terminating them, despite "sobering" losses on floorplans, capital loans and revolving credit.

Odom

That may mean allowing a dealer to postpone a payment, or Ford Credit may even loan the dealer more money so the dealership isn't undercapitalized, he said.

"Unfortunately, we have a plateful of weak dealers. Hopefully, that plateful won't cause too much indigestion," Odom said. He said the Ford dealer body is in the worst financial shape it's been in since the recession years of the early 1980s.

He also denied the complaint among bankers that the captives can undercut banks in the auto financing business because the captives only have to sell cars, without worrying about making a profit.

"Ford Credit must make a profit standing on its own, without financial assistance from Ford. The idea that the manufacturer props up the captive is a myth. It isn't true. We have to stand up tall and straight in the financial markets on our own," Odom said.

> "Unfortunately, we have a plateful of weak dealers. Hopefully, that plateful won't cause too much indigestion."
>
> **William E. Odom**
> Ford Credit chairman

He did acknowledge that Ford Credit can do some high-risk deals that "wouldn't make sense" for a bank, like first-time buyer programs. But he said Ford Credit can afford to do so because of its size and its geographical diversity.

NIEFER

FROM PAGE 2

tion officials. The raid was based on anonymous informants who alleged that trucks with military applications were supplied to Iraq last summer. Authorities carried off documents but refused to say what they found.

Last week, the German magazine *Spiegel* alleged that 20 Mercedes cabs with trailers modified by a German contractor firm for missile launch capability were delivered to Iraq.

Daimler officials strongly deny having engaged in illegal imports. Matthias Kleinert, the company's vice president of public affairs, charged that Niefer is the target of a smear campaign. Some German auto industry executives accuse the country's two boisterous weekly news magazines, *Spiegel* and *Stern*, of targeting Germany's largest industrial concern.

A German industry analyst said: "There are exceptions in the company, but in general Mercedes is very highbrow and likes to talk down to you. They've made a lot of enemies, and some are deciding to pay back."

Competitors in Germany have rallied around Mercedes.

"We here in Munich should take heed and not be too happy," said a BMW executive. "This would not just hurt Mercedes, but would hurt German industry if companies are continuously charged with breaking the law with sales of arms."

"Gloating would be very, very foolish," he said. "This is far too serious. Mr. Niefer is being charged with so many different things that altogether it suggests to us that there are people who have an interest in Mr. Niefer being discredited."

Truck division chief Helmut Werner, who serves as vice-chairman of Mercedes-Benz and is widely regarded as parent company Daimler's next chairman, would be a likely replacement for Niefer.

Werner, the former chairman of German tiremaker Continental AG, met the allegations of illegal truck sales head-on. He said the anonymous tipsters may have been referring to an order received from Saudi Arabia in December for 17 articulated heavy trucks and trailers. Mercedes has decided not to fulfill that order on the recommendation of the German government.

Werner said delivery of 124 heavy trucks to Iraq last summer was halted after a United Nations embargo was announced following Iraq's invasion of Kuwait. A dozen trucks reached Iraqi hands and the rest were returned to Europe.

The tax investigation reportedly centers on Niefer's home in an exclusive residential area of Stuttgart. Critics allege that Niefer first rented the house, then bought it, for less than its market value from the landlord, a representative of several German auto industry suppliers doing business with Mercedes.

The tax allegations followed the Rome bus incident last summer. After a lunch with managers from Mercedes-Benz of Italy, Niefer offered to drive the group to the airport, even though he apparently did not possess a license to do so. According to accounts of the accident, the rear of the bus swung outward while on a curve, pinning a German woman, Christa Rehm, against a wall. Rehm spent several weeks in a hospital and underwent multiple operations.

Niefer is under investigation for negligence and leaving Italy with the matter unsettled. In addition, Rehm has filed suit against Niefer.

INCENTIVE WATCH
CUSTOMER INCENTIVES

	Rebates	Expiration Date
Chrysler Corp. (1989-90)		
Chrysler	$500-2,000	3/31
Dodge cars	$700-1,500	3/31
Dodge trucks	$500-2,500	3/31
Eagle	$700-1,500	3/31
Jeep	$500-2,000	3/31
Plymouth	$700-1,000	3/31
All minivans	$1,000	3/31
Finance rates in lieu of rebate start at 5.9 percent.		
Chrysler Corp. (1991)		
Chrysler	$500-1,000	3/31
Dodge cars	$500-1,000	3/31
Dodge truck	$300-1,500	3/31
Eagle	$400-700	3/31
Jeep	$700	3/31
Plymouth	$400-1,000	3/31
All minivans	$500	3/31
Finance rates in lieu of rebate start at 5.9 percent.		
Ford Motor Co. (1990)		
Ford Festiva	$700	4/10
Ranger	$1,500	4/10
Ford Motor Co. (1991)		
Ford Escort, Festiva	$500	4/10
Ranger	$1,000	4/10
Mercury Tracer	$500	4/10
Grand Marquis	$1,000	4/10
Finance rate, in lieu of rebate, starts at 7.9 percent for 48 months or less.		
General Motors (1990)		
Buick Reatta*	$2,000	4/7
Other Buick*	$250-1,000	4/7
Cadillac	$1,200	4/7
Chevrolet Geo	$300-800	4/7
Corvette	$3,000 (GM employees)	4/7
Other cars	$400-750	4/7
Trucks	$500-1,500	4/7
GMC	$500-1,500	4/7
OldsmoLile	$750-1,250	4/7
Pontiac Bonneville	$400-1,000	4/7
*Based on option package selected. All makes except Cadillac offer cut-rate financing in lieu of rebates.		
General Motors (1991)		
Buick Reatta	$2,000*	4/7
Other Buick	$250-1,000*	4/7
Cadillac Brougham	$1,500	3/31
Chevrolet Geo	$300-800	4/7
Corvette	$3,000 (GM employees)	4/7
Other cars	$400-750	4/7
Trucks	$500-1,000	4/7
GMC	$500-1,000	4/7
Oldsmobile	$500-1,000	4/7
Pontiac	$400-750	4/7
*Based on option package selected		
Hyundai (1991)	$500-1,575	4/3
Mazda (1991)		
MX-6	$1,500	4/3
Trucks	$500	4/3
Subaru		
Justy ECVT (1990-91)	$500	5/2
Loyale (1991)	$500	5/2
Toyota (1991)		
Celica GT, 4Runner	$800 discount on options	10/1

INCENTIVE WATCH
DEALER INCENTIVES

	Rebate	Expiration Date
Chrysler Corp. (1990)		
Dodge Ram D-W, Club wagon, Ramcharger	$1,000	3/31
Jeep	$400-3,000	3/31
Chrysler Corp. (1991)		
Colt, Summit	$400-700	3/31
Dodge Trucks	$1,000	3/31
Jeep	$400-3,000	3/31
Ford Motor Co. (1990)		
Ford Taurus SHO	$3,000	4/10
Other cars	$800-1,500	4/10
Ford Bronco	$2,000	4/10
Other trucks	$900-1,100	4/10
Mercury	$800-1,500	4/10
All Lincoln	$1,000-2,000, based on sales	4/10
Ford Motor Co. (1991)		
Ford Taurus SHO	$1,000	4/10
Crown Victoria	$1,000	4/10
Other cars	$100-700, based on sales	4/10
Ford trucks	$100-700, based on sales	4/10
Mercury Topaz, Cougar, Sable	$100-750, based on sales	4/10
All Lincoln	0-$1,000, based on sales	4/10
General Motors (1990-91)		
Corvette	$1,000-3,000, quota	4/7
Chevrolet C1500	$500	4/7
Pontiac 1990*		
6000, Trans Sport	$400	4/7
Grand Prix, Bonneville	$1,000	4/7
*Rebate increased by $1,000 if dealer gives up rebates on 1991 models.		
Pontiac 1991		
Sunbird, Trans Sport	$400	4/7
Acura (1990-91)		
Integra	$300	4/2
Honda		
Accord (1990-91)	$500	3/31
Accord (1991)	$400 on each car ordered from importe	4/2
Hyundai		
1990 models	$1,000-2,000	4/3
1991 Sonata	$100-500, quota	4/3
Isuzu (1990-91)		
Trooper, Pickup	$600-1,700, quota	3/31
Mitsubishi (1990-91)		
Cars, pickups	$300-1,300, quota	4/30
Montero	$1,500-2,000, based on sales	4/30
Nissan (1990)		
Pathfinder	$1,500	4/2
Nissan (1990-91)		
Stanza	0-$1,500, quota	4/2
Pickups	$1,200	4/2
Peugeot (1990)	$2,000	None
Subaru		
XT (1990-91)	$2,000	5/2
Legacy (1991)	$500-1,700	5/2
Loyale (1990)	$800-1,500	5/2
*$1,000 extra on 1990 Legacys.		
Suzuki (1990-91)	$400-1,000	4/3
Toyota (1989-91)		
Corolla and Camry	$200-1,000, quota	4/3
Celica	$200-1,500, quota	4/3
Trucks	$200-1,000, quota	4/3
Volkswagen (1990)		
Cars	$500-1,500	None

Mitsubishi adds dealer incentives

Mitsubishi Motor Sales of America Inc. is paying rebates to dealers on sales of selected 1990 and 1991 models through April 30. Payments are based on performance against quota.

Dealers will be paid for each eligible retail sale or lease of 1990 and 1991 Galant, Eclipse and Mirage cars and two-wheel-drive or four-wheel-drive pickup trucks. Payments are $300 for zero to 25 percent of quota, $500 for 26 to 50 percent and $1,000 for 51 percent and above.

Dealers also will receive a $300 bonus on each 1990-91 Galant and Eclipse sold, refroactive to the first unit sold, when the combined sales total reaches 25 units.

Sales of the 1990-91 Mirage and pickups also count toward attainment of the bonus objective.

In addition, 1990 and 1991 Precis and 1990 Sigma, van and wagon sales will count double toward attainment of the dealer's bonus objective, but there are no rebates on those models. Mitsubishi also announced a non-retroactive per-unit bonus of $1,500 for the second 1991 Montero sold and $2,000 for each additional 1991 Montero sold.

Yugo sales plummet; 26 laid off

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

Yugo America Inc. has laid off 26 of its 89 U.S. employees, citing poor sales for Yugo and the auto industry in general.

"We're seeing a slight pick up in sales recently, but not quite what anyone expected with the end of the war in the Gulf," said John Spiech, Yugo president and chief executive officer. "It's time to trim the sails."

Yugo sold 615 cars in January and February, a 56 percent decline from the same period a year earlier. In the same period in 1987, its best year in the U.S., Yugo sold 9,233 cars.

The lay-offs include one sales representative and one service representative, which will mean the elimination of one of the importer's nine sales and service districts. That will require the company to redistrict the country.

Spiech said the lay-offs were mostly clerical and office support personnel at its New Jersey headquarters.

A company spokesman said many of Yugo's larger-volume dealers are located near military bases and were hurt by the mobilization of troops for war.

> "It's time to trim the sails."
>
> **John Spiech**
> Yugo president, CEO

Spiech said the company hopes a new four-door hatchback 103 model, also called the Florida, will revive sales when it is introduced later this year.

CONGRESS

FROM PAGE 2

Bryan's CAFE language in an energy bill he introduced last Thursday. Those levels, he said, were only "a starting point."

He predicted that the Bryan bill will not reach the Senate floor but will be incorporated into an energy package.

During a hearing on another energy bill, Sen. J. Bennett Johnston said that his committee plans to increase CAFE. But his approach is different from Bryan's. Johnston wants "to stretch Detroit to the absolute maximum consistent with consumer acceptance and without costing jobs and without hurting the economy."

In answer to Johnston's questions on what CAFE automakers can achieve, experts repeatedly said that the levels in the Bryan will would be difficult, if not impossible to meet.

In a Senate Energy and Natural Resource Committee hearing, K.G. Duleep, director of engineering for Energy and Environmental Analysis Inc., used a "hypothetical" 2001 Ford Taurus to demonstrate what kind of CAFE gains he thinks are feasible.

Duleep's Taurus would feature many of the technologies that Bryan has said would help cars meet the goals in his bill: a sleeker body, a five-speed electronically controlled transmission with torque converter lockup, improved tires with lower rolling resistance and low friction oils in the crankcase and drivetrain. The Taurus would also weigh less, 2,810 pounds vs. 3,090 pounds for the 19.. model.

According to Duleep, the 2001 Taurus could achieve a 29 percent improvement in fuel economy, or 35.3 mpg. Those improvements are less than the Bryan bill would require. Duleep said the car would also cost $800 more, a price consumers would be willing to pay only if gasoline were at least $2 a gallon.

Alternative fuels

Both the newly introduced Wirth bill and President Bush's energy plan would require fleets to use alternative fuels.

Linda G. Stuntz, deputy undersecretary for policy at the Energy Department, said last year's Clean Air Act fell short of the administration's goals. She said the nation's 21 worst-polluted urban areas could meet new pollution requirements with reformulated gasoline and diesel fuel instead of with alternative fuels, as the administration had hoped.

To pave the way for public acceptance of alternative fuels and the development of a distribution system, the administration put a new alternative fuels mandate into the National Energy Strategy, which will go before the Senate in the form of a bill.

The administration's new plan would require that fleets of at least 10 cars in the most severely polluted areas and 20-car fleets in metropolitan areas with a population of more than 250,000 run on methanol, ethanol, 85 percent alcohol mixtures, natural gas, liquid petroleum gas, hydrogen or electricity.

The administration estimates that the energy strategy would result in three million alternative-fuel cars on the road by 2000 and 5.4 million by 2010. "We expect the motor vehicle industry will be able to produce these vehicles beginning with their gradual introduction in 1995," Stuntz said.

If the cars are not available "for unforeseen reasons," the secretary of energy would have authority to waive compliance requirements, she said.

Wirth's energy bill embraces the Bush alternative-fuels program. But Wirth goes several steps further and mandates that a percentage of all fuels sold be non-petroleum, beginning with 10 percent in 1998 and increasing to 30 percent in 2010. Refiners and wholesalers could reach the goal themselves or buy credits from those who sell natural gas or methanol for use in vehicles, or from manufacturers of electric cars.

On the House side, a bill that provides a 20 percent tax credit for the equipment to convert a vehicle to run on clean-burning alternative fuels was introduced by Rep. Michael Andrews, D-Texas. Andrews told the Senate Energy Committee that tax credits would cost $20 million over five years but would become more expensive in later years.

Electric vehicles

Similar bills were introduced in the House and the Senate, in which politicians heralded the start of an "automobile revolution" through electric vehicles.

The bills would allocate $50 million in federal funds over 10 years for electric car demonstration projects to pump up market demand.

Some of the funds would be earmarked for Department of Energy and industry research to develop new batteries. Current work has focused on reducing the size of electric car batteries while increasing the time they can hold a charge. The Big 3 are already involved in a joint battery research consortium.

Truck safety

Bryan held a hearing on his bill that would mandate air bags in passenger cars and light trucks. But an hour earlier, Jerry G. Curry, administrator of the National Highway Traffic Safety Administration, announced that a rule mandating passive restraints in light-duty trucks had cleared final regulatory hurdles.

As expected, the rule allows companies to phase in the restraints. Twenty percent of their light-truck fleets must have passive restraints (generally air bags or automatic seat belts) in the 1995 model year, 50 percent in the 1996 model year, 90 percent in the 1997 model year and 100 percent in the 1998 model year.

Earlier, NHTSA had proposed a three-year phase in, but automakers convinced the agency to allow one more year for the most difficult design problems, such as tow trucks.

Curry said he would not oppose Bryan's bill but warned that it "might remove any incentive for manufacturers to continue research and development plans to explore alternatives to air bags such as 'user friendly' interiors or 'air belts.' "

LAFORZA

Bankruptcy judge to review assets

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

The auto industry may not have seen the last of Laforza, the $43,850 sport-utility.

Next week a federal bankruptcy judge in Oakland, Calif., will hear testimony from Laforza Automobile Inc. creditors and other experts regarding sale of the company's assets.

At the blue sky end of the possibilities is Laforza being imported from Italy again.

The case began last August, when Laforza was forced into involuntary Chapter 7 bankruptcy by creditors to whom it owed more than $8 million.

Chapter 7 doesn't allow a debtor to reorganize; it requires liquidation of assets.

In January, Laforza's assets were auctioned off, but there is now a dispute over just what was sold.

Everyone agrees that some of the company's tangible assets — including 13 sport-utilities, some parts and equipment — were up for the highest bidder. Motor Sports International Inc., based in Dublin, Calif., outbid several others in an open auction with a bid of $401,000.

Afterward, Motor Sports International asserted that it had bought Laforza's intangible assets as well, including "the name, engineering rights, . . . applicable patents and proprietary technology, etc."

The company says that all such assets were clearly for sale according to the court papers.

But some of the losing bidders, including Ohio-based Samex Co. and Badrahn Enterprises, a Saudi Arabian company, disagreed.

They said intangibles were not for sale, and if they had been, they would have bid higher.

Lawyers admit the wording on some documents was confusing, so Judge Edward Jellen scheduled the special April 4 hearing.

He will let Motor Sports International's bid stand as the winning bid for all assets unless he determines that it was grossly below actual value.

Motor Sports International is a broker specializing in the export of luxury vehicles. Former Laforza Chairman Joseph Monterosso has been hired as a consultant by the company.

"I want to spend this money. I'm going to push this thing to the end," said owner Martin Diefenbach.

Added Monterosso: "What we paid is far more than the assets are worth. (The trustee) should be happy with that. We bought the assets fair and square and now they're trying to nullify the sale. It's sour grapes."

Diefenbach would not discuss his plans for Laforza. He said reviving the sport-utility was not out of the question, "but at this point that's counting chickens before the eggs."

Diefenbach said he will try to buy the 250 to 300 vehicles that are being stored at C&C Inc. in Brighton, Mich., and hinted that he'd like to export them.

Those vehicles were not part of the sale, as they had been pledged as collateral to C&C Inc., which assembled the sport-utility, and Bank One of Indianapolis, which had loaned Laforza $4 million.

PRODUCTION

U.S. CAR

	Week Ended Mar. 23, 1991	Week Ended Mar. 16, 1991	Mar. Est.	Jan. 1 to Mar. 23, 1991	Jan. 1 to Mar. 24, 1990
Horizon	0	0	0	0	4,578
Sundance	2,300	0	2,715	8,969	16,963
Acclaim	0	2,565	5,662	21,549	18,117
Total Plymouth	**2,300**	**2,565**	**8,376**	**30,518**	**39,658**
LeBaron A	0	0	0	0	5,057
LeBaron J	1,750	0	1,750	6,101	7,043
N. Yorker C-Class	0	0	38	1,945	4,683
Fifth Avenue	0	0	133	5,675	6,298
Imperial	0	0	40	1,667	4,982
Total Chrysler	**1,750**	**0**	**1,961**	**15,388**	**28,063**
Omni	0	0	0	0	4,308
Daytona	550	0	550	2,182	4,630
Shadow	2,450	0	2,897	9,672	19,353
Dynasty	0	0	777	27,287	27,488
Spirit	0	2,285	5,016	19,481	20,027
Total Dodge	**3,000**	**2,285**	**9,240**	**58,622**	**75,806**
CHRYSLER CORP.	**7,050**	**4,850**	**19,578**	**104,528**	**143,527**
Escort	5,748	5,454	16,049	39,702	33,924
Mustang	0	3,525	3,525	11,458	36,028
Tempo	2,736	0	6,417	22,627	28,016
Taurus	7,709	3,758	20,516	63,167	90,102
Thunderbird	0	2,880	6,321	14,881	26,263
Total Ford Div.	**16,193**	**15,617**	**52,829**	**151,835**	**214,333**
Topaz	1,668	0	3,291	9,546	11,079
Cougar	0	2,624	4,734	10,513	16,432 *
Sable	2,771	1,316	6,602	19,878	23,392
Total Mercury	**4,439**	**3,940**	**14,627**	**39,937**	**50,903**
Continental	1,178	1,180	3,773	13,557	12,896
Mark VII	209	205	662	2,369	6,403
Town Car	2,773	2,775	8,876	31,888	38,776
Total Lincoln	**4,160**	**4,160**	**13,312**	**47,814**	**58,075**
Total L-M Div.	**8,599**	**8,100**	**27,939**	**87,751**	**108,978**
FORD MOTOR CO.	**24,792**	**23,717**	**80,768**	**239,586**	**323,311**
Skylark/Somerset	2,280	2,250	7,076	27,618	17,766
Century	2,180	2,556	4,736	15,337	15,455
Riviera	283	0	692	2,792	5,116
Electra/Park Ave.	1,723	1,665	5,486	25,100	12,317
LeSabre (fwd)	0	0	736	33,069	35,709
Roadmaster Wagon**	382	382	1,222	3,340	1,557
Reatta	98	88	290	529	1,929
Total Buick	**6,946**	**6,941**	**20,238**	**106,342**	**89,849**
Eldorado	365	0	906	3,621	4,659
Seville	909	0	1,902	7,025	6,143
Brougham (rwd)	435	417	1,389	4,201	9,101
DeVille (fwd)	1,600	1,396	6,164	30,932	34,904
Allante	64	64	203	728	791
Total Cadillac	**3,373**	**1,877**	**10,563**	**46,507**	**55,598**
Cavalier	5,135	6,082	17,129	63,300	65,935
Camaro	0	0	2,442	7,980	9,838
Corsica/Beretta	6,160	6,022	12,991	45,611	63,382
Caprice	2,675	2,697	8,554	28,330	27,203
Corvette	465	471	1,496	5,432	5,040
Total Chevrolet	**14,435**	**15,272**	**42,612**	**150,653**	**171,398**
Calais	3,120	3,134	9,5[illegible]	25,830	18,762
Cutlass Ciera	1,710	1,456	3,[illegible]	10,891	20,484
Cutlass Supreme	2,140	1,965	6	22,073	18,536
Toronado	153	0	[illegible]	1,611	5,136
88 (fwd)	936	952	3	18,324	18,048
Custom Cruiser Wag.***	280	280	[illegible]	3,094	943
98	1,000	882	3,6[illegible]	19,321	13,081
Total Oldsmobile	**9,339**	**8,669**	**27,283**	**101,144**	**94,990**
Sunbird	2,655	3,140	9,270	29,392	27,747
Grand Am	4,800	4,883	15,401	47,158	38,119
Firebird	0	0	643	2,016	4,854
Grand Prix	3,180	3,010	6,808	20,941	21,659
Pontiac 6000	710	852	1,562	6,895	14,128
Bonneville	2,541	2,565	8,243	19,136	13,984
Total Pontiac	**13,886**	**14,450**	**41,927**	**125,538**	**120,491**
Total Saturn	**910**	**910**	**2,912**	**9,595**	**0**
GENERAL MOTORS	**48,889**	**48,119**	**145,536**	**539,779**	**532,326**
DIAMOND-STAR	**3,175**	**3,154**	**10,111**	**36,231**	**31,665**
Civic	2,100	2,120	6,702	21,102	30,120
Accord	7,305	7,346	23,231	81,377	73,022
HONDA	**9,405**	**9,466**	**29,933**	**102,479**	**103,142**
MAZDA†	**3,096**	**2,794**	**9,970**	**34,951**	**43,075**
NISSAN	**2,710**	**2,701**	**8,735**	**33,587**	**27,734**
Corolla	2,100	2,234	6,845	24,242	24,970
Geo Prizm/Nova	2,100	2,021	6,560	24,076	22,712
NUMMI	**4,200**	**4,255**	**13,405**	**48,318**	**47,682**
SUBARU-ISUZU	**1,166**	**865**	**3,463**	**13,249**	**4,024**
TOYOTA	**4,450**	**4,461**	**14,147**	**51,248**	**51,487**
TOTAL BIG 3	**80,731**	**76,686**	**245,882**	**883,893**	**999,164**
TOTAL TRANSPLANT	**28,202**	**27,696**	**89,764**	**320,163**	**308,809**
TOTAL CARS, U.S.	**108,933**	**104,382**	**335,645**	**1,204,056**	**1,307,973**
TOTAL CARS, CANADA	**26,531**	**21,605**	**73,484**	**219,149**	**231,960**
U.S., CANADA CARS	**135,464**	**125,987**	**409,130**	**1,423,205**	**1,539,933**
U.S., CANADA CARS AND TRUCKS	**222,299**	**180,536**	**648,165**	**2,220,876**	**2,610,491**

Monthly estimates may contain error of one or two units due to rounding.
*Estimate †Total includes MX-6, 626, and Ford Probe
**1990 totals reflect the LeSabre (rwd). ***1990 totals reflect Olds. 88 (rwd)

CANADIAN CAR

	Week Ended Mar. 23, 1991	Week Ended Mar. 16, 1991	Mar. Est.	Jan. 1 to Mar. 23, 1991	Jan. 1 to Mar. 24, 1990
Monaco	0	0	0	329	3,593
Premier	0	0	0	954	1,252
CHRYSLER CORP.	**0**	**0**	**0**	**1,283**	**4,845**
Tempo	3,694	3,466	7,796	25,147	30,902
Topaz	934	853	1,945	6,575	9,701
Crown Victoria	1,816	1,857	6,495	22,202	26,973
Grand Marquis	3,282	2,548	7,882	8,885	27,511
FORD MOTOR CO.	**9,726**	**8,724**	**24,118**	**62,809**	**95,087**
Celebrity	0	0	0	0	5,305
Cutlass Ciera	1,780	1,780	5,340	13,217	22,303
Lumina	4,625	4,029	14,510	37,493	49,220
Regal	3,375	0	6,992	22,534	9,383
GENERAL MOTORS	**9,780**	**5,809**	**26,841**	**73,244**	**86,211**
CAMI	**2,700**	**2,730**	**8,657**	**30,234**	**0**
HONDA	**2,140**	**2,173**	**6,903**	**24,780**	**26,895**
HYUNDAI	**705**	**641**	**2,137**	**9,188**	**3,740**
TOYOTA	**1,300**	**1,348**	**4,270**	**15,597**	**13,096**
VOLVO	**180**	**180**	**557**	**2,014**	**2,086**
TOTAL CARS, CANADA	**26,531**	**21,605**	**73,484**	**219,149**	**231,960**

U.S. TRUCK

	Week Ended Mar. 23, 1991	Week Ended Mar. 16, 1991	Mar. Est.	Jan. 1 to Mar. 23, 1991	Jan. 1 to Mar. 24, 1990
Caravan	1,950	2,017	6,396	23,484	27,851
Dakota	1,950	2,085	6,012	12,893	14,883
Caravan C/V	50	94	249	872	1,766
Ram pickups	1,950	1,970	5,891	12,784	21,300
Total Dodge	**5,900**	**6,166**	**18,548**	**50,033**	**65,800**
Cherokee	4,050	0	4,846	18,667	40,117
Comanche	200	0	251	1,275	1,901
Grand Wagoneer	0	0	0	0	910
Wagoneer/Briarwood	100	0	130	614	832
Total Jeep	**4,350**	**0**	**5,226**	**20,556**	**43,760**
Voyager	1,550	1,529	4,891	13,019	26,217
Town & Country	50	64	188	695	877
Total C-P Div.	**1,600**	**1,593**	**5,079**	**[illegible],714**	**27,094**
CHRYSLER CORP.	**11,850**	**7,759**	**28,853**	**89,303**	**136,654**
Aerostar	3,751	0	7,679	25,216	40,080
Bronco	0	0	0	1,935	12,517
Bronco II/Explorer	5,766	5,658	18,168	60,953	19,675
Navajo	173	170	607	3,806	0
Econoline	4,125	4,065	10,488	23,704	40,532
Mediums/Heavies	930	0	1,770	7,580	20,915
Light trucks	7,170	3,051	17,418	49,448	99,924
Ranger	4,918	3,348	13,870	49,602	68,873
Total Ford Div.	**26,833**	**16,292**	**70,001**	**222,244**	**302,516**
FORD MOTOR CO.	**26,833**	**16,292**	**70,001**	**222,244**	**302,516**
Astro	0	2,593	5,463	18,022	23,050
Blazer	203	231	476	1,802	3,419
Lumina APV	0	0	1,330	5,999	22,050
Mediums/Heavies	128	182	366	1,888	3,566
P-Model	428	437	1,407	3,727	4,956
Pickups	2,727	246	9,385	41,428	72,135
S-10	4,586	456	12,468	50,446	55,124
S-10 Blazer	1,470	0	3,005	10,284	26,790
Sportsvan/Van	945	1,002	3,072	7,928	11,684
Suburban	403	423	926	4,670	14,523
Total Chevrolet	**10,890**	**5,570**	**37,898**	**146,194**	**237,297**
Jimmy	78	51	143	596	1,166
Mediums/Heavies	472	393	1,524	4,729	4,556
P-Model	72	54	193	627	648
Pickups	1,814	138	5,292	16,800	19,744
S-15/Sonoma	1,150	0	2,591	12,070	13,065
S-15 Jimmy	320	0	1,179	4,700	8,922
Safari	0	769	1,845	7,512	7,296
Suburban	721	680	1,524	4,940	6,318
Vandura/Rally Vans	415	374	1,241	3,386	5,273
Total GMC	**5,042**	**2,459**	**15,531**	**55,360**	**66,988**
Silhouette	0	0	1,048	2,758	6,768
Bravada	640	0	1,410	5,359	0
Total Oldsmobile	**640**	**0**	**2,458**	**8,117**	**6,768**
Pontiac Trans Sport	**0**	**0**	**848**	**3,417**	**13,546**
GENERAL MOTORS	**16,572**	**8,029**	**56,735**	**213,088**	**324,599**
NAVISTAR	**1,645**	**1,657**	**5,282**	**17,629**	**17,912**
NISSAN	**2,610**	**2,603**	**8,371**	**32,293**	**35,674**
SUBARU-ISUZU	**800**	**816**	**2,717**	**12,501**	**4,289**
AM GENERAL	**400**	**400**	**1,280**	**4,850**	**5,400**
MISCELLANEOUS	**2,650**	**2,650**	**8,480**	**32,150**	**36,000**
TOTAL TRUCKS, U.S.	**63,360**	**40,006**	**181,718**	**624,058**	**863,044**

CANADIAN TRUCK

	Week Ended Mar. 23, 1991	Week Ended Mar. 16, 1991	Mar. Est.	Jan. 1 to Mar. 23, 1991	Jan. 1 to Mar. 24, 1990
Caravan	2,785	2,676	8,858	30,098	39,019
Caravan C/V	320	345	1,052	1,827	2,803
Ram Wagon	1,920	0	2,738	5,260	5,048
Ram Van	1,205	0	2,614	7,289	12,567
Total Dodge	**6,230**	**3,021**	**15,263**	**44,474**	**59,437**
Voyager	5,120	5,169	12,647	28,432	31,992
Total Plymouth	**5,120**	**5,169**	**12,647**	**28,432**	**31,992**
Wrangler	1,500	0	3,270	10,258	9,243
Total Jeep	**1,500**	**0**	**3,270**	**10,258**	**9,243**
CHRYSLER CORP.	**12,850**	**8,190**	**31,180**	**83,164**	**100,672**
FORD MTR. (lt. trks.)	**3,025**	**2,909**	**6,522**	**19,309**	**32,450**
Light trucks	3,100	0	6,234	31,808	42,547
Vans	1,520	1,455	4,417	7,723	9,217
Total Chevrolet	**4,620**	**1,455**	**10,652**	**39,531**	**51,764**
Light trucks	1,150	0	2,752	12,439	16,302
Vans	415	532	1,621	3,968	3,879
Total GMC	**1,565**	**532**	**4,374**	**16,407**	**20,181**
GENERAL MOTORS	**6,185**	**1,987**	**15,025**	**55,938**	**71,945**
CAMI	**1,250**	**1,290**	**4,059**	**13,374**	**0**
NAVISTAR	**165**	**167**	**530**	**1,828**	**2,447**
TOTAL TRKS., CANADA	**23,475**	**14,543**	**57,317**	**173,613**	**207,514**
U.S., CANADA TRKS.	**86,835**	**54,549**	**239,035**	**797,671**	**1,070,558**

Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz.

High court: Firms can't bar women from risky jobs

WASHINGTON — The Supreme Court ruled unanimously last week that women workers in lead battery plants, not the employers, should decide whether to risk their health and the health of their fetuses. Johnson Controls Inc., a Milwaukee-based maker of automotive batteries, was sued by the UAW in the case.

Like Johnson Controls, General Motors has excluded fertile women from jobs that could expose them to high concentrations of lead in five battery plants and certain foundries. Now the companies must redesign their personnel policies. A General Motors spokesman said the ruling won't have a major effect, as only 2,000 jobs are involved in battery operations, and not all of those involve exposure to lead.

Honda again tops Chrysler

By Anne E. Wright
AUTOMOTIVE NEWS CHIEF STATISTICIAN

For the fourth consecutive week, Chrysler Corp. plans to build fewer cars in the United States than Honda of America Manufacturing Inc.

Chrysler's projected production for this week is 7,050; Honda estimates its output will be 9,405.

U.S. automakers scheduled 108,933 cars last week, 4.36 percent above the prior week but 21.58 percent below the same week last year.

Year-to-date, 1,204,056 cars have been assembled, 7.94 percent below the 1,307,973 that were produced last year at this time.

Last week's estimated truck production was 63,360, up 58.38 percent over the previous week, but 30.90 percent below the year-ago week.

So far this year, U.S. truck production is estimated at 624,058. It trails last year by 27.69 percent.

Subaru-Isuzu Automotive Inc. canceled two shifts at the Lafayette, Ind., facility on March 13 and 14 due to weather conditions.

General Motors ran Saturday overtime for the second consecutive week at the A plant in Lansing, Mich., where the Buick Skylark and the Oldsmobile Cutlass Calais are built.

Saturday overtime was also scheduled at the postal line of GM's Moraine, Ohio, truck facility.

Ford Motor Co. scheduled daily overtime for the second consecutive week at the Louisville, Ky., truck plant.

Car output up 22% in Canada

Last week, Canadian automakers estimated production of 26,531 cars, up 22.80 percent over the prior week and 22.35 over the year-ago week.

Year-to-date, car production in Canada is estimated at 219,149, down 5.52 percent from 1990.

Truck production in Canada was estimated at 23,475, up 61.42 percent over the prior week and 15.71 percent above the 1990 week.

So far this year, Canadian truck production is estimated at 173,613, down 16.34 percent from the same period in 1990.

GM scheduled overtime at the Ste. Therese, Quebec, facility where the Oldsmobile Cutlass Calais is assembled.

SCHEDULED PLANT CLOSINGS

Plant	Weeks down	Units lost/ week
FORD		
Dearborn, Mich.	**3/25, 4/1**	
Ford Mustang		3,700
GENERAL MOTORS		
Flint, Mich. (Buick City)	**3/25**	
Buick LeSabre (fwd)		3,900
Olds. 88 Royal		1,150
Pontiac, Mich. (West)	**3/25**	
Chev. S-10 pickups		70
GMC S-15 pickups		25
Chev. full-sized pickups		560
GMC full-sized pickups		110
CHRYSLER		
Newark, Del.	**3/25, 4/1, 4/8**	
Dodge Spirit		2,090
Plymouth Acclaim		2,565
Chrysler LeBaron		1,440
Total U.S. car		**14,845**
Total U.S. truck		**765**
Total Canada car		**0**
Total Canada truck		**0**
Total units lost week of 3/25		**15,610**

Source: Automotive News Data Center

NOTE

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